

The Honorable Christopher M. Alston
Chapter 7
Hearing Location: Courtroom 7206, Seattle
Hearing Date: December 4, 2015
Hearing Time: 9:30 a.m.
Response Date: November 27, 2015

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF WASHINGTON
AT SEATTLE**

In Re:)	Chapter 7
)	No. 13-20573
ERIKA PIRZADEH)	
)	TRUSTEE'S MOTION
)	FOR ORDER AUTHORIZING
)	SETTLEMENT OF CLAIMS
)	AND ALLOWING AND
Debtor.)	DISALLOWING CLAIMS

COMES NOW the Chapter 7 Trustee, Ronald G. Brown, and moves this court for an order authorizing a settlement with Harwood Condominium Association and allowing and disallowing claims as follows:

1. Settlement of Preference Claims with Harwood Condominium Association

The Harwood Condominium Association garnished funds from the debtor on unpaid condominium charges in the sum of \$4,725.04. The debtor amended schedules for the unscheduled assets and exempted a portion of the garnished funds in the sum of \$2,300.04. The debtor through her attorney advised the trustee that the debtor had negotiated a settlement of the debtor's exemption claim with the condominium association in the sum of \$1,150. The trustee sought to collect on the non-exempted funds in the sum of \$2,425.00 on the basis that the funds received by condominium association were preference payments and might be avoided under Section 547 of the Bankruptcy Code. The condominium association disputed the trustee's claims. After negotiations, the trustee obtained the sum of \$1,200 settlement of the preference claims.

MOTION FOR SETTLEMENT OF CLAIMS AND ORDER
ALLOWING AND DISALLOWING CLAIMS - 1

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Under the criteria in In re A&C Properties, 784 F.2d 1377 (9th Cir., 1986), the court considers a number of factors in determining whether to approve a settlement proposed by a bankruptcy estate, including (1) the probability of success in legal proceedings; (2) the difficulty of collection; (3) the complexity of the legal proceedings and the expense involved; and (4) the interest of creditors. The proposed settlement with the Harwood Condominium Association resolves a dispute, whose resolution may be uncertain if litigation were commenced, without the bankruptcy estate incurring legal costs, recovers funds in an efficient matters, and provides a significant recovery for creditors. The trustee believes that the proposed settlement in this case meets the criteria and is a reasonable settlement.

2. Determination of Creditor Claims

The trustee has examined the claims filed in the above named bankruptcy, and categorized them in accordance with the priorities set forth in 11 U.S.C. Section 726. The trustee will present a final Order Allowing and Disallowing Claims on the above-referenced date. Any claim objections by the trustee will be considered by the court at the time set for hearing. Modifications to the order may be made at the time of the hearing. The trustee's proposed order is as follows:

The trustee proposes to allow the following claims The trustee has examined the claims filed in the above named bankruptcy, and categorized them in accordance with the priorities set forth in 11 U.S.C. Section 726. The trustee will present a final Order Allowing and Disallowing Claims on the above-referenced date. Any claim objections by the trustee will be considered by the court at the time set for hearing. Modifications to the order may be made at the time of the hearing. The trustee's proposed order is as follows:

The trustee proposes to allow the following claims:

GENERAL UNSECURED CLAIMS

Claim No.	Claimant	Amount
1	U.S. Department of Education	\$5,555.84

MOTION FOR SETTLEMENT OF CLAIMS AND ORDER
ALLOWING AND DISALLOWING CLAIMS - 2

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TOTAL GENERAL
UNSECURED CLAIMS

\$5,555.84

The trustee proposes to disallow the following claim:

Claim No.	Claimant	Reasons
2	Harwood Condominium Association	Claim has been paid or will be paid by claimant's interest in secured real property.

The proposed order is based on a claims register prepared by the Clerk of the Court. If a claim is not listed on the proposed order, the trustee has not been informed by the Clerk that such claim has been properly filed with the Court. Unless a claimant asserting an unlisted claim submits evidence to the trustee prior to the time of hearing that its claim has been properly filed, such claim will not be allowed or paid. No claim may be allowed by the trustee unless the claim is properly documented.

Upon entry of an Order of Disbursement, after costs of administration are paid (which cannot yet be estimated) the trustee will pay the claims, by priority of creditor class, in the sequence presented above. The claims in a higher creditor class will be fully satisfied before any payment is made on claims in the following creditor class in priority. If, after the payments of claims in all higher priorities, there are insufficient funds to fully satisfy the claims of the next unpaid creditor class in priority, the claimants in that creditor class will share the remaining funds pro rata.

WHEREFORE, the trustee moves this court for the entry of the proposed order authorizing settlement of the claim with the Harwood Condominium Association and allowing and disallowing claims, prioritizing said claims in the sequence provided in the Bankruptcy Code.

DATED this 2nd day of November, 2015.

/s/ Ronald G. Brown
Ronald G. Brown, WSBA #8816
Chapter 7 Trustee

MOTION FOR SETTLEMENT OF CLAIMS AND ORDER
ALLOWING AND DISALLOWING CLAIMS - 3

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